

15U - STRATEGIC PRIORITY AFFORDABLE HOUSING

Operational Summary

Description:

Fund 15U facilitates the expenditure of general funds and Single Family Housing funds that are dedicated to the creation and preservation of affordable housing in Orange County.

Strategic Goals:

- Increase and preserve affordable housing opportunities, especially for those most in need.

Key Outcome Indicators:

Performance Measure	2004 Business Plan Results	2005 Business Plan Target	How are we doing?
REDUCE PERCENT OF AFFORDABLE HSG OPPORTUNITIES NEEDED AS ID BY THE REGIONAL HOUSING NEEDS ASSESSMENT What: Affordable Housing Opportunities include creating new and preserving existing affordable housing units. Why: Increasing affordable housing opportunities will help bridge the gap in the OC housing market.	HCS saw seven grand openings of affordable housing projects and three ground-breakings.	HCS will continue with the NOFA process and will issue one NOFA for \$5 million.	Since 2000, ground has been broken for the development of over 1,500 affordable units. HCS expects to produce over \$270 million of affordable housing construction with a County investment of \$24.6 million.

FY 2004-05 Key Project Accomplishments:

- In 04-05, Housing and Community Service (HCS) held two grand openings for affordable housing developments: Fountain Valley Senior Apartments and Stanton Accessible Apartments. These provided a total of 66 new affordable housing units. HCS also issued a Notice of Funding Availability in September 2004 for \$5,000,000 which will be used to fund approximately 200 new affordable housing units.

Strategic Priority Affordable Housing - This fund facilitates the expenditure of Single Family Housing funds that are dedicated to the creation and preservation of affordable housing in Orange County.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	92,031
Total Final FY 2005-2006	3,999,396
Percent of County General Fund:	N/A
Total Employees:	.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

Affordable housing development continues to be one of the Board of Supervisors' Top 10 Strategic Priorities. Combined with over \$2.5 million appropriated in fund 117 and the Redevelopment commitment to affordable housing development, over \$29 million is allocated to fund affordable housing projects. Of that amount, \$21 million has already been committed to projects. HCS will continue to solicit projects through a Request for Proposals (RFP) and Notice of Fund-

ing Availability (NOFA) for development of affordable rental housing. The goal of the RFP and the NOFA is to promote the development of permanent affordable rental housing for Orange County's very-low and low-income households by providing favorable financing.

Changes Included in the Base Budget:

Fund 15U was created in FY 02-03 to account for monies allocated by the Board of Supervisors for the development of affordable housing. During FY 02-03, \$5 million was transferred into this fund from 15B. Approximately, \$4 million remains in Fund 15U for affordable housing development, of which approximately \$900,000 is committed to projects. The administrative costs for those projects, estimated at \$106,000, are budgeted in 15G; but then reimbursed by 15U.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget	Actual Exp/Rev ⁽¹⁾	Final Budget	Actual	Percent
Total Revenues	4,882,357	4,811,188	4,811,188	3,999,396	(811,792)	-16.87
Total Requirements	71,169	4,811,188	92,032	3,999,396	3,907,364	4,245.67
Balance	4,811,188	0	4,719,156	0	(4,719,156)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Strategic Priority Affordable Housing in the Appendix on page page 633

Highlights of Key Trends:

- Over the past decade, the County has experienced a shortage of affordable housing which is impacted by a variety of factors including, including the availability of land, affordable housing funds, political will, and the real estate market. The development and preservation of affordable housing is challenged by rising housing costs, lack of appropriately zoned land, increased mar-

ket demands, and community resistance which combined to shrink the supply of affordable housing units and price low income residents out of the market. Despite these factors, HCS will continue to pursue its goal of increasing and preserving affordable housing opportunities for lower income Orange County residents.

15U - Strategic Priority Affordable Housing

Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2003-2004		FY 2004-2005		FY 2004-2005		FY 2005-2006		Change from FY 2004-2005	
	Actual Exp/Rev		Budget		Actual Exp/Rev ⁽¹⁾		Final Budget		Actual	
				As of 6/30/05		As of 6/30/05			Amount	Percent
Total FBA	\$	4,882,357	\$	4,811,188	\$	4,811,188	\$	3,999,396	\$ (811,792)	-16.87%
Total Revenues		4,882,357		4,811,188		4,811,188		3,999,396	(811,792)	-16.87
Services & Supplies		71,169		4,811,188		92,032		3,946,896	3,854,864	4,188.63
Other Financing Uses		0		0		0		52,500	52,500	0.00
Total Requirements		71,169		4,811,188		92,032		3,999,396	3,907,364	4,245.67
Balance	\$	4,811,188	\$	0	\$	4,719,156	\$	0	\$ (4,719,156)	-100.00%

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.